

ICA DIRECT LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009
(Registered number 2026938)



PKF (UK) LLP

ICA DIRECT LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

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ICA DIRECT LIMITED
YEAR ENDED 31 MARCH 2009
DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2009

PRINCIPAL ACTIVITIES

The company's activities encompass the running of the ICA Bookshop, and the ICA's Education Programme. In addition sponsorship income is channelled through the company.

BUSINESS REVIEW

The results for the year are shown in the attached financial statements.

The company made a profit of £159,957 in the financial year (2008 £544,112) and made a donation of £126,050 (2008 £544,112) under gift aid to the Institute of Contemporary Arts Limited, its parent company. Of the £159,957 profit (2008 £544,112), a loss of £33,736 (2008 loss of £2,022) was from the Bookshop, a profit of £207,380 (2008 £538,903) was from sponsorship and there was a loss of £13,688 (2008 profit of £7,232) from the Education programme.

DIRECTORS AND DIRECTORS' INTERESTS

The directors who held office during the year were as follows:

Guy Perricone (resigned Nov 09)
Alan Taylor

The directors have no beneficial interest in the shares of the company. Alan Taylor has a non-beneficial interest in his capacity as director and trustee of The Institute of Contemporary Arts Limited, the company's parent undertaking.

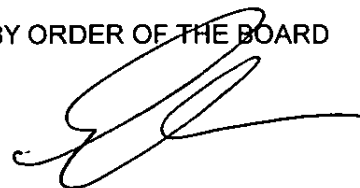
These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware, and that they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

A resolution for the reappointment of PKF (UK) LLP will be proposed at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD



Director

22 April

2010

ICA DIRECT LIMITED
YEAR ENDED 31 MARCH 2009
STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are also responsible for ensuring that the Directors' Report and other information included in the annual report is prepared in accordance with Company Law in the United Kingdom.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ICA DIRECT LIMITED

We have audited the financial statements of ICA Direct Limited for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

We report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements.

Emphasis of matter – Going concern

In forming our opinion, which is not qualified, we have considered the disclosure in note 1 of the financial statements, which indicates that the company's parent, The Institute of Contemporary Arts ('ICA') will continue to provide or procure financial support for the foreseeable future. In the ICA's financial statements for the year ended 31 March 2009, its Council has reported that it is expected to record a significant loss in the year ended 31 March 2010. However, the ICA has taken steps to reduce its future annual costs by £1 million and, in addition, has received an interest free, secured loan of £600,000 from Arts Council England ('ACE') which will be converted formally into a grant when ACE has been satisfied with the artistic, financial and organisational proposals contained in its business plan for the next four years that is currently being developed and is scheduled to be completed in the summer of 2010. The conditions relating to the loan are described more fully in the Report of Council under 'Developments during 2009/10'. Until the business plan has been accepted by ACE, there is material uncertainty which may cast doubt about the ICA's ability to continue as a going concern and therefore its ability to provide financial support for this company. The financial statements do not include the adjustments that would result if the ICA was unable to continue as a going concern and to provide financial support to the company.

London, UK

23 April

2010

PKF UK LLP

PKF (UK) LLP

Registered auditors

ICA DIRECT LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2009

	<u>Notes</u>	<u>2009</u> £	<u>2008</u> £
Turnover	1	539,060	875,576
Cost of sales		(179,712)	(191,331)
		<hr/>	<hr/>
Gross profit		359,348	684,245
Administrative expenses		(199,391)	(140,133)
		<hr/>	<hr/>
Profit on ordinary activities before gift aid	2	159,957	544,112
Amounts payable to parent undertaking under gift aid		(126,050)	(544,112)
		<hr/>	<hr/>
Taxation	4	(33,907)	-
		<hr/>	<hr/>
Result for the year	10	-	-
		<hr/> <hr/>	<hr/> <hr/>

All income and expenditure incurred by the company was in respect of continuing activities

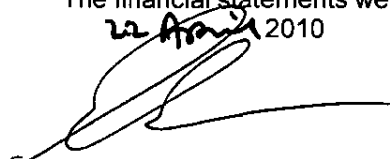
All gains and losses recognised in the year are included above

ICA DIRECT LIMITED
BALANCE SHEET
YEAR ENDED 31 MARCH 2009

	<u>Notes</u>	<u>2009</u>	<u>2008</u>
		£	£
FIXED ASSETS	5	175	540
CURRENT ASSETS			
Stocks	6	75,984	100,651
Debtors	7	203,076	274,271
Cash at bank and in hand		38,119	0
		<u>317,179</u>	<u>374,922</u>
CREDITORS:			
Amounts falling due within one year	8	(323,125)	(381,233)
		<u>(5,946)</u>	<u>(6,311)</u>
NET CURRENT LIABILITIES			
		<u>(5,771)</u>	<u>(5,771)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>(5,771)</u>	<u>(5,771)</u>
CAPITAL AND RESERVES			
Called up share capital	9	2	2
Profit and loss account	10	(5,773)	(5,773)
		<u>(5,771)</u>	<u>(5,771)</u>
EQUITY SHAREHOLDER'S DEFICIT	11	<u>(5,771)</u>	<u>(5,771)</u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 April 2010



Director

ICA DIRECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the historical cost convention and with the Financial Reporting Standard for Smaller Entities (Effective January 2007) on a going concern basis which assumes that the company's parent will continue to provide or procure financial support for the foreseeable future

a) Turnover

Turnover represents amounts received in respect of sponsorship, income from the sale of books and videos in the ICA Bookshop and income relating to the ICA's education programme

b) Stock

Stock is valued at lower of cost and net realisable value

c) Depreciation

Depreciation is provided by the company to write off the cost less estimated residual value of tangible fixed assets over their estimated useful economic lives as follows

Equipment 3 years straight line

2 OPERATING PROFIT

	<u>2009</u> £	<u>2008</u> £
Operating profit is stated after charging		
Auditors' remuneration	3,900	3,745
Depreciation	627	3,327
	<hr/>	<hr/>

3 REMUNERATION OF DIRECTORS

No director received any remuneration for his services to the company during the year (2008 £nil) The company has no employees

ICA DIRECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

4 TAXATION	<u>2009</u> £	<u>2008</u> £
Charge for group relief	33,907	-
	<hr/>	<hr/>
Current tax charge	33,907	-
	<hr/>	<hr/>

The company has made payments on a £ for £ basis to ICA Films Limited (subsidiary within the same group) in respect of the surrender of that entity of tax losses which have been used to offset its taxable surplus

Factors affecting tax charge for the year

	£	£
Surplus on ordinary activities before tax	33,907	-
Surplus on ordinary activities multiplied by the standard rate of corporation tax of 21%	7,120	-
Additional charge for group relief	26,787	-
	<hr/>	<hr/>
Current tax charge for the year	33,907	-
	<hr/>	<hr/>

ICA DIRECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

5	FIXED ASSETS		<u>Equipment</u>
			£
	Cost		
	At 1 April 2008		19,191
	Additions in year		263
			<hr/>
	At 31 March 2009		19,454
			<hr/>
	Depreciation		
	At 1 April 2008		18,652
	Charge for the year		627
			<hr/>
	At 31 March 2009		19,279
			<hr/>
	Net book value		
	At 31 March 2009		175
			<hr/>
	At 31 March 2008		539
			<hr/>
6	STOCKS	<u>2009</u>	<u>2008</u>
		£	£
	Finished goods and goods for resale	75,984	100,651
		<hr/>	<hr/>
7	DEBTORS		
	Trade debtors	114,592	162,649
	Prepayments	3,760	9,460
	Amounts owed by group undertakings	84,724	102,162
		<hr/>	<hr/>
		203,076	274,271
		<hr/>	<hr/>

All amounts are due within one year

ICA DIRECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

8	CREDITORS	<u>2009</u> £	<u>2008</u> £
	Amounts falling due within one year		
	Trade creditors	18,903	32,668
	Amounts due to group undertakings	247,541	270,059
	Other taxation	-	222
	Accruals and deferred income	56,681	58,937
	Bank Overdraft	-	19,347
		<hr/>	<hr/>
		323,125	381,233
		<hr/>	<hr/>
9	CALLED UP SHARE CAPITAL	<u>2009</u> £	<u>2008</u> £
	Authorised		
	Ordinary shares of £1 each	1,000	1,000
		<hr/>	<hr/>
	Allotted, called up and fully paid		
	Ordinary shares of £1 each	2	2
		<hr/>	<hr/>
10	PROFIT AND LOSS ACCOUNT	<u>2009</u> £	<u>2008</u>
	At 1 April 2008	(5,773)	(5,773)
	Profit for the financial year	-	-
		<hr/>	<hr/>
	At 31 March 2009	(5,773)	(5,773)
		<hr/>	<hr/>
11	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	<u>2009</u> £	<u>2008</u> £
	Profit for the year	-	-
	Opening shareholders' deficit	(5,771)	(5,771)
		<hr/>	<hr/>
	Closing shareholders' deficit	(5,771)	(5,771)
		<hr/>	<hr/>
	Shareholders' deficit is entirely attributable to equity interests		

ICA DIRECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

12 PARENT UNDERTAKING

The parent undertaking and controlling party of the company is The Institute of Contemporary Arts Limited, a registered charity and company limited by guarantee, registered in England and Wales

The consolidated accounts of that company can be obtained by writing to the Company Secretary at the Institute of Contemporary Arts Limited, 12 Carlton House Terrace, London SW1Y 5AH

13 RELATED PARTY TRANSACTIONS

Exemption has been taken from disclosing group transactions as the results for the year are incorporated into the consolidated accounts of The Institute of Contemporary Arts Limited